

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: CSHB 179(EDC)
Fiscal Note Number: 1
(H) Publish Date: 4/8/13

Identifier: HB179-EED-LAM-3 21-13
Title: BROADBAND DISCOUNTS FOR SCHOOLS
Sponsor: NAGEAK
Requester: House Education Committee

Department: Department of Education and Early Development
Appropriation: Alaska Library and Museums
Allocation: Library Operations
OMB Component Number: 208

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	***	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	***	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial Version

Prepared By: Linda Thibodeau, Director	Phone: (907)465-8721
Division: Alaska Library and Museums	Date: 03/21/2013 10:43 AM
Approved By: Mike Hanley	Date: 03/28/13
Commissioner	

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 179(EDC)

Analysis

The Schools and Libraries portion of the Universal Service Fund, more widely known as E-Rate, was authorized as part of the Telecommunications Act of 1996. Section 254 codified provisions for universal service, a principle that broadly means everyone should have access to advanced telecommunications services at reasonable rates regardless of their location. E-Rate schools in Alaska receive a 60-90% discount on the cost of their telecommunications and internet charges. There are 280 Title 1 schools in both urban and rural Alaska.

This legislation would provide state grants for the non-discounted portion (district share) for bandwidth of up to 200 Mbps, where available, for Title I schools or school districts.

Currently, only one district is known to have 200 Mbps (megabits per second) capabilities. Many Title I schools are lacking adequate infrastructure such as broadband, transponder space, fiber optic vs. terrestrial delays and equipment like computers, switches and routers. Many may not be able to accommodate the increased bandwidth.

This fiscal note is indeterminate at this time since the cost of broadband will depend on:

- How difficult it is to access (i.e. is fiber optic cable available, and if not, how much expansion is possible on their satellite or microwave transponders).
- What is the current maximum capacity available to districts that is not being used due to fiscal constraints?
- How many students are accessing the Internet at one time? (Smaller schools may not need as much at one time.)
- How the broadband is managed (hardware and distribution) through each service provider, consistency of equipment and filtering.